

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT ("this Agreement") is between the Office of the Indiana Attorney General (hereinafter the "State") and The Hoosier Press Association, Inc., d/b/a Indiana Newspaper Advertising Network, whose address is 1 Virginia Avenue, Suite 701, Indianapolis, IN 46204 (hereinafter "Contractor").

WITNESSETH

WHEREAS, the State is required by IC 32-34-1-28 to publish certain notices relating to unclaimed property that has been paid or delivered to the attorney general; and

WHEREAS, the State wishes to increase the awareness of its citizens to unclaimed property held by the State by the placement of display ads in newspapers throughout the State; and

WHEREAS, Contractor has expertise and knowledge in developing and creating display advertisements and in placing the same in Indiana newspapers and other publications.

NOW THEREFORE, in consideration of the premises and the mutual promises herein contained, it is agreed by and between the State and Contractor as follows:

1. Scope of Work

The scope of work is that set forth in detail in Exhibit A, attached hereto and incorporated herein.

2. Consideration

Consideration shall be paid to contractor as set forth in Exhibit B, attached hereto and incorporated herein. Total remuneration under this contract shall not exceed \$637,380.23.

3. Term

The term of this Agreement will be from March 1, 2004 to January 31, 2005.

4. Access to Records

The Contractor and its subcontractors, if any, shall maintain all books, documents, papers, accounting records, and other evidence pertaining to all costs incurred under this Agreement. They shall make such materials available at their respective offices at all reasonable times during this Agreement term, and for three (3) years from the date of final payment under this Agreement, for inspection by the State or by any other authorized representative of state government. Copies thereof shall be furnished at no cost to the State if requested.

5. Assignment

The Contractor shall not assign or subcontract the whole or any part of this Agreement without the State's prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Agreement and shall not be made to more than one party.

6. Audits

Contractor acknowledges that it may be required to submit to an audit of funds paid through this Contract. Any such audit shall be conducted in accordance with IC 5-11-1, and audit guidelines specified by the State.

7. Authority to Bind Contractor

Notwithstanding anything in this Agreement to the contrary, the signatory for the Contractor represents that he/she has been duly authorized to execute contracts on behalf of the Contractor and has obtained all necessary or applicable approvals from the home office of the Contractor to make this Agreement fully binding upon the Contractor when his/her signature is affixed, and this Agreement is not subject to further acceptance by Contractor when accepted by the State of Indiana.

8. Changes in Work

In the event the State requires a major change in scope, character or complexity of the work after the work has begun, adjustments in compensation to the Contractor shall be determined by the State in the exercise of its good faith and prudent judgment. The Contractor shall not commence any additional work or the change of the scope of the work until authorized in writing by the State. No claim for additional compensation shall be made in the absence of a prior written approval executed by all signatories hereto.

9. Compliance with Laws

The Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, the provisions of which are incorporated by reference. The enactment or amendment of any applicable state or federal statute or the promulgation or regulations thereunder after execution of this Agreement shall be reviewed by the State and the Contractor to determine whether the provisions of the Agreement require formal modification.

10. Security and Privacy of Health Information. Deleted; not applicable

11. Confidentiality of Data, Property Rights in Products, and Copyright Prohibition

The Contractor further agrees that all information, data, findings, recommendations, proposals, etc. by whatever name described and in whatever form secured, developed, written or produced by the Contractor in furtherance of this Agreement shall be the property of the State. The Contractor shall take such action as is necessary under law to preserve such property rights in and of the State while such property is within the control and/or custody of the Contractor. The Contractor hereby specifically waives and /or releases to the State any cognizable property right of the Contractor to copyright, license, patent or otherwise use such information, data, findings, recommendations, proposals, etc.

12. Confidentiality of State Information

The Contractor understands and agrees that data, materials and information disclosed to Contractor may contain confidential and protected data. Therefore, the Contractor promises and assures that data, material and information gathered, based upon or disclosed to Contractor for the purposes of this Agreement, will not be disclosed to others or discussed with other parties without the prior written consent of the State.

13. Conflict of Interest

A. As used in this section:

"Immediate Family" means the spouse and unemancipated children of an individual.

"Interested Party" means:

1. The individual executing this Contract;
2. An individual who has an interest of three percent (3%) or more of Contractor, if Contractor is not an individual; or
3. Any member of the immediate family of an individual specified under subdivision 1 or 2.

"Department" means the Indiana Department of Administration.

"Commission" means the State Ethics Commission.

- B.** The Department may cancel this Agreement without recourse by Contractor if any interested party is an employee of the State of Indiana.
- C.** The Department will not exercise its right of cancellation under section B above if the Contractor gives the Department an opinion by the Commission indicating that the existence of this Agreement and the employment by the State of Indiana of the interested party does not violate any statute or code relating to ethical conduct of state employees. The Department may take action, including cancellation of this Agreement, consistent with an opinion of the Commission obtained under this section.
- D.** Contractor has an affirmative obligation under this Agreement to disclose to the Department when an interested party is or becomes an employee of the State of Indiana. The obligation under this section extends only to those facts that Contractor knows or reasonably could know.

14. Continuity of Services

- A.** The Contractor recognizes that the service(s) to be performed under this Agreement are vital to the State and must be continued without interruption and that, upon Agreement expiration, a successor, either the State or another Contractor, may continue them. The Contractor agrees to:
1. Furnish phase-in training, and
 2. Exercise its best efforts and cooperation to effect an orderly and efficient transition to a successor.

- B. The Contractor shall, upon the State's written notice:
1. Furnish phase-in, phase-out services for up to sixty (60) days after this Agreement expires, and
 2. Negotiate in good faith a plan with a successor to determine the nature and extent of phase-in, phase out services required.
- The plan shall specify a training program and a date for transferring responsibilities for each division of work described in the plan, and shall be subject to the State's approval. The Contractor shall provide sufficient experienced personnel during the phase-in, phase-out period to ensure that the services called for by this Agreement are maintained at the required level of proficiency.
- C. The Contractor shall be allow as many personnel as practicable to remain on the job to help the successor maintain the continuity and consistency of the services required by this Contract. The Contractor also shall disclose necessary personnel records and allow the successor to conduct on-site interviews with these employees. If selected employees are agreeable to the change, the Contractor shall release them at a mutually agreeable date and negotiate transfer of their earned fringe benefits to the successor.

The Contractor shall be reimbursed for all reasonable phase-in, phase-out costs (i.e. costs incurred within the agreed period after Agreement expiration that result from phase-in, phase-out operations).

15. Debarment and Suspension

Contractor certifies, by entering into this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Agreement by any federal agency or by any department, agency or political subdivision of the State of Indiana. The term "principal" for purposes of this Agreement means an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of Contractor.

16. Default by State

If the State, sixty (60) days after receipt of written notice, fails to correct or cure any breach of this Agreement, then the Contractor may cancel and terminate this Agreement and collect all monies due up to and including the date of termination.

17. Disputes

- A. Should any disputes arise with respect to this Agreement, Contractor and the State agree to act immediately to resolve any such disputes. Time is of the essence in the resolution of disputes.
- B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Agreement that are not affected by the dispute.

Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs. If the State and Contractor cannot resolve a dispute within ten (10) working days following notification in writing by either party of the existence of a dispute, then the following procedure shall apply:

The parties agree to resolve such matters through submission of their dispute to the Commissioner of the Indiana Department of Administration. The Commissioner shall reduce a decision to writing and mail or otherwise furnish a copy thereof to the Contractor and the State within ten (10) working days after presentation of such dispute for action. The Commissioner's decision shall be final and conclusive unless either party mails or otherwise furnishes to the Commissioner, within ten (10) working days after receipt of the Commissioner's decision, a written appeal. Within ten (10) working days of receipt by the Commissioner of a written request for appeal, the decision may be reconsidered. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration for a determination, or otherwise the dispute shall be submitted to an Indiana court of competent jurisdiction.

The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to Contractor of one or more invoices not in dispute in accordance with the terms of this Agreement will not be cause for Contractor to terminate this Agreement, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

18. Drug-Free Workplace

The Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor or an employee of the Contractor has been convicted of a criminal drug violation occurring in Contractor's workplace.

False certification or violation of the certification may result in sanctions including, but not limited to, suspension of Agreement payments, termination of this Agreement and/or debarment of contracting opportunities with the State of Indiana for up to three (3) years.

In addition to the provisions of the above paragraphs, if the total contract amount set forth in this Contract is in excess of \$25,000.00, Contractor hereby further agrees that this agreement is expressly subject to the terms, conditions, and representations of the following certification:

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Indiana Department of Administration is requiring the inclusion of this certification in all contracts and grants from the State of Indiana in excess of \$25,000.00. No award of a contract shall be made, and no contract, purchase order or agreement, the total amount of which exceeds \$25,000.00, shall be valid, unless and until this certification has been fully executed by Contractor and made a part of the contract or agreement as part of the contract documents.

The Contractor certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform it's employees of (1) the dangers of drug abuse in the workplace; (2) Contractor's policy of maintaining a drug-free workplace; (3) any available drug consulting, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace;
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment, the employee will (1) abide by the terms of the statement; and (2) notify the Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- D. Notifying in writing the State within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction.
- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

19. Employment Option

If the State determines that it would be in the State's best interest to hire an employee of the Contractor, the Contractor will release selected employee from any non-compete contracts that may be in effect. This release will be at no cost to the State or the employee.

20. Force Majeure

In the event that either party is unable to perform any of its obligations under this Agreement or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Agreement shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this contract.

21. Funding Cancellation

When the director of the State Budget Agency makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Agreement shall be canceled. A determination by the Budget Director that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

22. Governing Laws

This Agreement shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

23. Indemnification

Contractor agrees to indemnify, defend, and hold harmless the State of Indiana and its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Contractor and/or its subcontractors, if any. The State shall not provide such indemnification to Contractor.

24. Independent Contractor

Both parties hereto, in the performance of this Agreement, shall act in an individual capacity and not as agents, employees, partners, joint ventures or associates of one another. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property arising out of the acts or omissions of the agents, employees or subcontractors of the other party.

The Contractor shall be responsible for providing all necessary unemployment and worker's compensation insurance for Contractor's employees.

25. Information Technology Accessibility. Deleted; not applicable.

26. Key Person(s). Deleted; not applicable

27. Licensing Standards

The parties agree that Contractor and its employees will comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services to be provided by the Contractor pursuant to this Agreement. The State shall not be required to reimburse Contractor for any services performed when Contractor or its employees are not in compliance with such applicable standards, laws, or regulations. If licensure, certification or accreditation expires or is revoked, Contractor shall notify State immediately and the State, at its option, may immediately terminate the contract.

28. Nondiscrimination

Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, Contractor shall not discriminate against any employee or applicant for employment in the performance of this Agreement. The Contractor shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as a material breach of this Agreement. The Contractors execution of this Agreement also signifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability or status as a veteran.

29. Notice to Parties

Whenever any notice, statement or other communication is required under this Agreement, it shall be sent to the following addresses, unless otherwise specifically advised.

A. Notice to the State shall be sent to:

Office of the Attorney General
Attn: Tony Rogers
302 W. Washington Street
IGCS, 5th Floor
Indianapolis, IN 46204

B. Notice and payments to the Contractor shall be sent to:

Kentucky Press Service
d/b/a Indiana Newspaper Advertising Network
101 Consumer Lane
Frankfort, KY 40601

30. Order of Precedence

Any inconsistency or ambiguity in this Agreement shall be resolved by giving precedence in the following order: (1) This Agreement, (2) attachments prepared by the State, (3) attachments prepared by the Contractor.

31. Ownership of Documents & Materials

All documents, records, programs, data, film, tape, articles, memos, and other materials not developed or licensed by the Contractor prior to execution of this Agreement, but specifically developed under this Agreement shall be considered "work for hire" and the Contractor transfers any ownership claim to the State of Indiana and all such matters will be the property of the State of Indiana. Use of these materials, other than related to Agreement performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Agreement, the Contractor shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided herein while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. Full, immediate, and unrestricted access to the work product of the Contractor during the term of this Agreement shall be available to the State.

32. Payments

All payment obligations shall be made in arrears in accordance with Indiana law and state fiscal policies and procedures.

33. Penalties/Interest/Attorney's Fees

The State will in good faith perform its required obligations hereunder and does not agree to pay any penalties, liquidated damages, interest, or attorney's fees, except as required by Indiana law, in part, IC 5-17-5, IC 34-54-8, and IC 34-13-1.

Notwithstanding the provisions contained in IC 5-17-5, the Parties stipulate and agree that any liability resulting from the State of Indiana's failure to make prompt payment shall be based solely on the amount of funding originating from the State of Indiana and shall not be based on funding from federal or other sources.

34. Progress Reports

The Contractor shall submit progress reports to the State upon request. The report shall be oral, unless the State, upon receipt of the oral report, should deem it necessary to have it in written form. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, and that completion can be reasonably assured on the scheduled date.

35. Renewal Option

This Agreement may be renewed under the same terms and conditions subject to the approval of the Commissioner of the Department of Administration and the State Budget Director in compliance with IC 5-22-17-4. The term of the renewed Agreement may not be longer than the original contract. Exercise of this option is at the sole discretion of the State and is not subject to agreement or acceptance by the Contractor.

36. Severability

The invalidity of any section, subsection, clause or provision of this Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Agreement.

37. Substantial Performance

This Agreement shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any modification thereof.

38. Successors and Assignees

The Contractor binds its successors, executors, administrators, and assignees to all covenants of this Contract. Except as above set forth, the Contractor shall not assign, sublet or transfer interest in this Agreement without the prior written consent of the State of Indiana.

39. Taxes

The State of Indiana is exempt from state, federal and local taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

40. Termination for Convenience

This Agreement may be terminated, in whole or in part, by the State whenever, for any reason, the State determines that such termination is in the best interest of the State. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original Agreement price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

41. Termination for Default. Deleted; not applicable.

42. Registration with the Secretary of State of Indiana

The Contractor certifies that if it is a non-domestic entity, it is registered with the Indiana Secretary of State to do business in the State of Indiana.

43. Travel

Expenditures made by the Contractor for travel will be reimbursed by the State at the current rate paid by the State of Indiana and upon pre-approval by the State. Travel expenses can only be reimbursed in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular (#97-1.1). Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

44. Waiver of Rights

No right conferred on either party under this Agreement shall be deemed waived and no breach of this Agreement excused, unless such waiver or excuse is in writing and signed by the party claimed to have waived such right.

45. Work Standards

The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Agreement, the State may request in writing the replacement of any or all such individuals and Contractor shall grant such request.

46. State Boilerplate Affirmation Clause

I swear or affirm under the penalties of perjury that I have not altered, modified or changed the State's Boilerplate Agreement clauses (as defined in the 2002 IDOA Professional Services Agreement Manual) in any way except for the following clauses which are identified by name below: **Paragraph 10 (Security & Privacy of Health Information); Paragraph 25 (Information Technology Access); Paragraph 26 (Key Persons); Paragraph 41 (Termination for Default).**

Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the representative, agent, member, or officer of the Contractor y, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid, any sum of money or other consideration for the execution of this Agreement other than that which appears upon the face hereof.

IN WITNESS WHEREOF, Contractor and the State of Indiana have, through duly authorized representatives, entered into this Agreement. The parties having read and understand the foregoing terms of the Agreement do by their respective signatures dated below hereby agree to the terms thereof.

The Hoosier Press Association, Inc.
d/b/a Indiana Newspaper Advertising Network

By: David T. Thompson

Printed Name: DAVID T. THOMPSON

Title: EXECUTIVE DIRECTOR

Date: MARCH 23, 2004

Approved by:
DEPARTMENT OF ADMINISTRATION

Charles Martindale (for)
Charles Martindale, Commissioner

Date: 3/31/04

Approved as to form and legality:
OFFICE OF ATTORNEY GENERAL

Stephen Carter (for)
Stephen Carter, Attorney General

Date: 4-6-04 146880

The Indiana Attorney General

By: Larry Hopkins

Printed Name: Larry Hopkins

Title: C.E.O.

Date: 3-29-04

Approved by:
STATE BUDGET AGENCY

Marilyn F. Schultz (for)
Marilyn F. Schultz, Director

Date: 4-5-04

EXHIBIT A
Scope of Work

1. INAN will provide the OAG with the cost estimate of publishing the lists of approximately 47,000 properties of apparent owners and abandoned property described in IC 32-9-1.5-28, such lists to be published in 92 county newspapers in conformance with the requirements of IC 5-3-1, et seq. INAN shall provide the OAG with evidence that each newspaper in which publication will be made pursuant to this Agreement is a newspaper as that term is defined in IC 5-3-1-0.4.
2. Each list shall be in alphabetic order by county of publication.
3. INAN will prepare a Display Header to accompany each notice list to be published, which Display Header shall be approved as to form, content and cost by the OAG prior to publication.
4. Upon written approval and authorization by the OAG, INAN will cause insertion orders for the lists with Display Headers to be placed in the appropriate newspapers.
5. INAN will prepare quarter-page Run of Paper display ads calling the public's attention to the OAG's unclaimed property database on the web. The OAG shall approve such Display Ads as to form, content and cost prior to publication.
6. Upon written approval and authorization by the OAG, INAN shall cause insertion orders for the Display Ads to be placed in such newspapers and at such frequency as the OAG directs in writing.
7. INAN will forward summary and detailed invoices accompanied by two copies of each proof of publication to the OAG for payment within 10 days of receipt by the OAG. Payments made by INAN to the newspapers will be certified in writing to the OAG as completed within 30 days of OAG payment.
8. As appropriate, INAN will provide such other no-cost assistance and advice in publication matters to the OAG to produce cost effective property notices.
9. Display Ads and property notice materials shall be the property of the OAG and may not be used for any other purpose.
10. Design fees for order placement shall not exceed 15% of the insertion order.

EXHIBIT B
Consideration

Cost paid by INAN to newspaper for printing ad

April	\$54,338.04
May	\$227,901.66
June	\$39,871.70
July	\$66,921.70
August	\$54,413.78
September	\$72,645.48
October	\$38,151.32

\$554,243.68

INAN service fee payment of 15% per monthly run

April	\$8,150.71
May	\$34,185.25
June	\$5,980.76
July	\$10,038.26
August	\$8,162.07
September	\$10,896.82
October	\$5,722.70

\$83,136.55

<u>Total</u>	<u>\$637,380.23</u>
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